

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

54609
02-1098

I. PARTIES

A. Address

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a municipal corporation, and **QUESTMARK INFORMATION MANAGEMENT, INC.** ("Contractor"), a Texas corporation.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City

Director of Municipal Courts
or Designee
City of Houston
P.O. Box 1562
Houston, Texas 77251

Contractor

Questmark Information Management, Inc.
7102 Mullins
Houston, TX 77081
Contact: Reid Kuhn
Phone: 713/662 9022
Fax: 713/662-9660

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

TABLE OF CONTENTS

Page No.

I. PARTIES	1
A. Address	1
B. Table of Contents	1
C. Parts Incorporated	3
D. Controlling Parts	3
E. Signatures	4
II. DEFINITIONS	5
III. DUTIES OF CONTRACTOR	5
A. Scope of Services	5
B. Coordinate Performance	6
C. Reports	6
D. Prompt Payment of Subcontractors	6
E. RELEASE	6
F. INDEMNIFICATION	7
G. SUBCONTRACTORS' INDEMNIFICATION	8
H. INDEMNIFICATION PROCEDURES	8
I. Insurance	9
J. Warranties	12
K. Acceptance	12
L. Licenses and Permits	13
M. Compliance with Laws	13
N. Compliance with Equal Opportunity Ordinance	14
O. MWBE Compliance	14
P. Drug Abuse Detection and Deterrence	14
IV. DUTIES OF CITY	16
A. Payment Terms	16
B. Taxes	16
C. Method of Payment	16
D. Limit of Appropriation	16
E. Changes	18
V. TERM AND TERMINATION	20
A. Contract Term	20
B. Renewals	20
C. Termination for Convenience by City	21
D. Termination for Cause	21

E.	Termination for Cause by Contractor	22
VI.	MISCELLANEOUS	23
A.	Independent Contractor	23
B.	Severability	23
C.	Entire Agreement	23
D.	Written Amendment	23
E.	Applicable Laws	24
F.	Notices	24
G.	Captions	24
H.	Non-Waiver	24
I.	Inspections and Audits	25
J.	Enforcement	25
K.	Ambiguities	25
L.	Survival	25
M.	Risk of Loss	26
N.	Parties In Interest	26
O.	Successors and Assigns	26
P.	Business Structure and Assignments	26
Q.	Remedies Cumulative	27

EXHIBITS

- A. Scope of Services
- B. Equal Employment Opportunity
- C. MWBE Subcontract Terms
- D. Drug Policy Compliance Agreement
- E. Certification of No Safety Impact Positions
- F. Drug Policy Compliance Declaration
- G. Fee Schedule
- C. Parts Incorporated

The above-described sections and exhibits are incorporated into this Agreement.

- D. Controlling Parts

If a conflict among the sections and exhibits arises, the sections control over the exhibits.

E. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):
WITNESS (if not a corporation):

By: [Signature]
Name: Reid Kuhn
Title: Account Manager

QUESTMARK INFORMATION
MANAGEMENT, INC.

By: [Signature]
Name: _____
Title: PRESIDENT
TAX ID No: 76-0408235

ATTEST/SEAL:

[Signature]
City Secretary

CITY OF HOUSTON, TEXAS

Signed by:

[Signature]
Mayor

APPROVED:

[Signature]
Director, Municipal Courts, Judicial

COUNTERSIGNED BY:

[Signature]
City Controller

[Signature]
Director, Municipal Courts, Administration

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney
L.D. File No.044-0100020-001

DATE COUNTERSIGNED:

12/10/02

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

"Agreement" means this contract between the Parties, including all exhibits and any written amendments authorized by City Council and Contractor.

"City" is defined in the preamble of this Agreement and includes its successors and assigns.

"Contractor" is defined in the preamble of this Agreement and includes its successors and assigns.

"Countersignature Date" means the date shown as the date countersigned on the signature page of this Agreement.

"Director" means the Director of the Municipal Courts Judicial, or the person he or she designates, or the City Purchasing Agent.

"Documents" mean notes, manuals, notebooks, plans, computations, databases, tabulations, exhibits, reports, underlying data, charts, analyses, maps, letters, models, forms, photographs, the original tracings of all drawings and plans, and other work products (and any modifications or improvements to them) that Contractor prepares or provides under this Agreement.

"Parties" mean all the entities set out in the Preamble who are bound by this Agreement.

"System" is defined in Exhibit "A".

III. DUTIES OF CONTRACTOR

A. Scope of Services

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision necessary to perform the services described in Exhibit "A."

B. Coordinate Performance

Contractor shall coordinate its performance with the Director and other persons that the Director designates. Contractor shall promptly inform the Director and other person(s) of all significant events relating to the performance of this Agreement.

C. Reports

Contractor shall submit all reports and progress updates required by the Director.

D. Prompt Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, or equipment for the performance of this Agreement. **CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS.** Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

E. RELEASE

CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

F. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;**
- (2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND**
- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.**

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS

AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

G. SUBCONTRACTORS' INDEMNIFICATION

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

H. INDEMNIFICATION PROCEDURES

(1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

- (a) a description of the indemnification event in reasonable detail,
- (b) the basis on which indemnification may be due, and
- (c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

(a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then

control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

(b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

I. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

(1) Risks and Limits of Liability. Contractor shall maintain the following coverages and limits of liability:

<u>(Coverage)</u>	<u>(Limit of Liability)</u>
Workers' Compensation or Occupational Accident	Statutory for Workers' Compensation 1 million each employee
Employer's Liability	Bodily Injury by accident \$500,000 (each accident) Bodily Injury by Disease \$500,000 (policy limit) Bodily Injury by Disease \$500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, combined limits of \$500,000 each occurrence and \$1,000,000 aggregate

Automobile Liability Insurance
(for vehicles Contractor
uses in performing under this
Agreement, including Employer's
Non-Owned and Hired Auto
Coverage)

\$1,000,000 combined single limit
per occurrence

Defense costs are excluded from the face amount of the policy.
Aggregate limits are per 12-month policy period
unless otherwise indicated.

- (2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.
- (3) Issuers of Policies. The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States.
- (4) Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must name the City (and its officers, agents and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- (5) Deductibles. Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents or employees.
- (6) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days

of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

- (7) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents or employees.
- (8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- (9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- (10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- (11) Proof of Insurance.
 - (a) On the effective date and at any time during the term of this Agreement, Contractor shall furnish the Director with certificates of insurance, along with an affidavit from Contractor

confirming that the certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

(b) Contractor shall continuously, and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may

- (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

J. Warranties

Contractor's performance shall conform to the professional standards prevailing in Harris County, Texas with respect to the scope, quality, due diligence, and care of the services and products Contractor provides under this Agreement.

K. Acceptance

Beginning promptly after completion of the System installation, the City shall operate the System for a 60-day Trial Period, with Contractor providing Support Services.

If during the Trial Period, the tests the City conducts indicate that the System is not performing in accordance with the requirements of this Agreement, Contractor will have 30 days to correct the problem(s), at which time the City will have an additional 15 days to retest the corrections.

The City shall accept the System when: (i) the System has been completely delivered and installed, and (ii) the System has, by the end of the 60-day Trial Period, successfully operated in accordance with the requirements of this Agreement. The City shall reject the System if at the end of the 60-day Trial Period (plus any time the City provides to Contractor to correct defects), the Software Product has not performed in accordance with this Agreement and Contractor is unable to correct the deficiency.

If the City rejects the System, it will be returned to Contractor at no cost to the City and the City will not pay for the use of the System or any other applicable goods or services under this Agreement. Contractor shall return to the City all sums paid to it under this Agreement within 30 days of rejection of the System. The City reserves all other available rights at law or in equity.

L. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by any statute, ordinance, rule, or regulation. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against his or her license.

M. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations and the City Charter and Code of Ordinances.

N. Compliance with Equal Opportunity Ordinance

Contractor shall comply with City's Equal Employment Opportunity Ordinance as set out in Exhibit "B".

O. MWBE Compliance

Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 15 % of the value of this Agreement to MWBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Exhibit "C". If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, the subcontract must also be signed by the attorneys of the respective parties.

P. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):

- (a) a copy of its drug-free workplace policy,
- (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "D," together with a written designation of all safety impact positions and,
- (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "E."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "F." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

IV. DUTIES OF CITY

A. Payment Terms

The City shall pay for the services Contractor renders under this Agreement in accordance with the fee schedule attached as Exhibit "G".

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment

The City shall pay Contractor on the basis of invoices submitted by Contractor and approved in writing by the Director. Contractor's first invoice shall be for \$36,257.37 which is the cost of the system hardware, operating system and application software as described in Exhibit "G". The City shall pay this first invoice in two installments. The City shall pay the first installment of \$8,800 within 30 days after receiving Contractor's first invoice. The City shall pay the second installment of \$27,457.37 after the Director approves the invoice in accordance with the testing period as described in the Acceptance Section (III)(K) above.

Additionally, Contractor shall send the City monthly invoices which shall include the daily processing charges for the preceding month as described in Exhibit "G".

D. Limit of Appropriation

(1) The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.

(2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$57,284.00 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:

(3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$_____, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Contract, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$_____.

SIGNED:

(Signature of the City Controller)
City Controller of the City

REQUESTED:

(Signature of the Director)

Director

(4) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement, and it has no other remedy in law or in equity against the City and no right to damages of any kind.

E. Changes

(1) At any time during the Agreement Term, the Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.

(2) The Director will issue the Change Order in substantially the following form:

CHANGE ORDER

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]

Signed:

[Signature of Director]

(3) The Director may issue more than one Change Order, subject to the following limitations:

- (a) Council expressly authorizes the Director to approve a Change Order of up to \$25,000. A Change Order of more than \$25,000 must be approved by the City Council.
- (b) If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
- (c) The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.

(4) Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this

Agreement, Contractor may request a time extension for the completion of the work. The Director's decision regarding a time extension is final.

(5) A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.

(6) Change Orders are subject to the Allocated Funds provisions of this Agreement.

V. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Countersignature Date and remains in effect for one (1) year, unless sooner terminated under this Agreement.

B. Renewals

If the Director, at his or her sole discretion, makes a written request for renewal to Contractor at least 30 days before expiration of the then-current term and if sufficient funds are allocated, then, upon expiration of the initial term, this Agreement is renewed for four (4) successive one-year terms upon the same terms and conditions.

If Contractor requests additional time to complete services as described in Exhibit "A", this Agreement may, at the Director's option, be extended for an additional 90 day period providing the Director exercises his option in writing before the expiration of the then current term.

C. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section IV unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

D. Termination for Cause

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this

Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) a receiver or trustee is appointed for Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

E. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days

after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

VI. MISCELLANEOUS

A. Independent Contractor

Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

B. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

C. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

D. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

E. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

F. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

G. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

H. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of

performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

I. Inspections and Audits

City representatives may have the right to perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least four years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

J. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

K. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

L. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

M. Risk of Loss

Unless otherwise specified elsewhere in this Agreement, risk of loss or damage for each Product passes from Contractor to the City upon acceptance by the City.

N. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

O. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

P. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest as described in §9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's prior written consent.

Q. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

EXHIBIT "A"

SCOPE OF SERVICES

Contractor shall furnish and maintain a Jury Wheel System (the "System") in a relational database format. The "System" shall be defined as the organization and administration of the Jury Wheel, jury notices and their preparation and deliverance, and daily juror management. Organization shall be defined as the "filtering and processing of juror data" for the intent of producing the new Jury Wheel. The System, as defined herein, shall be the property of the City of Houston. The Municipal Courts ("Courts") shall have full access to the database through an Internet connection, furnished by Contractor. The System's relational database (the "Wheel") shall consist of the filtered and processed names and addresses of all Harris County registered voters and individuals that have a Texas Drivers license and identification cards from the Texas Department of Public Safety.

In accordance with the terms and conditions of this contract, Contractor shall perform the following tasks:

I. Organize and Maintain the Jury Wheel

- A. To create the Jury Wheel, Contractor shall obtain the most current list of registered voters from the Office of the Harris County Tax Assessor-Collector, and the most current list of individuals with driver's licenses and identification cards from the Texas Department of Public Safety.
- B. Contractor shall organize and maintain the jury wheel as follows:
 - 1. Processing and filtering the list against the Department of Public Safety's Criminal database to eliminate felons;
 - 2. Filtering of the list to eliminate the names of deceased people;
 - 3. Filtering of the list to ensure that only people that live inside the Houston City limits are on the Jury Wheel;
 - 4. Filtering of the list to eliminate the names of people with permanent exemptions;
 - 5. Filtering of the list to eliminate the names of people who have served as juror within the last 24 months;

6. Filtering of the list to ensure that all prospective jurors have the most current correct address by updating addresses through the United States Postal Service National Change of Address; and
7. Filtering of the list to eliminate all duplicate names.
8. Contractor shall process and filter the Jury Wheel as stated in numbers 1-7 every 30 days.

II. Administration of the Jury Wheel

- A. Contractor shall prepare, print, handle, mail and provide postage for all jury summons and all re-scheduling notices sent, via postcard. Contractor shall, on a daily basis, pick up any returned mail at the Post Office. Contractor shall enter in all address updates or adjustments to the Jury Wheel System database. Contractor shall immediately issue a new summons letter after receiving any returned notices as a result of an address update.
- B. Contractor shall base the number of jurors summoned on the historical rate (as provided by the Director) of juror appearances, the number of jury trials expected per day, the number of expected exemptions and disqualifications, and the historical rate (as provided by the Director) at which jurors are stricken for cause or for any other reason. The current target yield for the Courts is 100 jurors per day. To meet this target yield, Contractor has estimated a **three to one ratio**; ie, to meet a target yield of 100 jurors per day, Contractor shall send 300 summons. Contractor has estimated that approximately 15,300 rescheduling postcards will be sent annually. Contractor shall adjust the number of juror summons and rescheduling postcards sent as determined by the Director.
- C. Contractor shall summon jurors at a minimum of once each month to serve during the following month.

III. Preparing and Delivering Jury Summons

- A. Contractor shall prepare and deliver sufficient summons to a randomly selected subset of the Jury Wheel to ensure that no trial is delayed or dismissed because no jurors are available to serve. The content of the summons shall be reviewed and approved by the Director.
- B. No later than October 15th of each year, Contractor shall meet and coordinate with the Director to review and revise the guidelines under which jury summons are prepared and delivered. These guidelines may include:
 - 1. The number of times per year the Courts will request the Jury System to summon jurors.
 - 2. The number of cases expected to require a jury trial over a given period of time.
- C. The appearance of the jury summons, including:
 - 1. Content, format and style of the summons,
 - 2. Paper type and characteristics,
 - 3. Envelope type and characteristics - the Director will agree to a standard cost for paper and envelopes. Any costs in excess of this standard resulting from requirements of the Courts, will be paid by the City.
 - 4. Information contained on the summons shall include:
 - a. Juror Number,
 - b. Name and Address,
 - c. Date, time and location of appearance,
 - d. Explanation of the citizen's rights and eligibility requirements,
 - e. Explanation of rules governing exemption and disqualification; and
 - f. Contact information (The summons may also provide a means by which citizens may declare themselves ineligible or disqualified.)

- g. The summons will also contain the above information in Spanish.
 - h. Limitations on the terms the Contractor may negotiate with third-party sub-contractors and/or pre-processing requirements that may be required.
 - D. Contractor shall ensure the System will provide (or provide electronic access to) the following information for the Courts:
 - 1. Juror Roll detailed information about all jurors who have been summoned to appear. The Juror Roll will include:
 - a. Juror Number - automatically assigned when the juror is added to the Jury Wheel,
 - b. Name and Address,
 - c. Date of Birth,
 - d. Driver's License Number, and
 - e. Date, time and location of appearance.
 - 2. Juror List, detailed information about all jurors who have been summoned to appear on a specific date. The Juror List will include the same data points as the Juror Roll.
 - E. Contractor shall send a reminder postcard to all jurors who have rescheduled their appearance date. Contractor shall also send a postcard to those jurors who fail to appear reflecting a rescheduled appearance.

IV. Daily Juror Management

- A. The System shall provide a courts-approved means by which juror information is updated and maintained. Jurors may request service for a different date, be exempted or disqualified from service, fail to appear as scheduled, or request changes to basic juror data.
- B. The System shall accurately track a juror's progress and shall be able to report the status of the juror at each of the following points:
 - 1. Date the juror was added to the current Jury Wheel,

2. Date the juror was selected and sent a summons,
 3. Date the juror arrives at the Courts for service,
 4. Date on which a juror was exempted or disqualified from service,
 5. Each time a juror was chosen as a potential member of a jury.
Because jury service is for a full day, an individual juror may be sent to multiple courtrooms as a member of a 14-person panel of prospective jurors. Therefore, the Contractor shall be cognizant of the fact that a citizen can only be chosen to sit on one jury per day and schedule accordingly.
 6. That the juror was:
 - a. Chosen to serve on a jury,
 - b. Stricken from a jury panel,
- C. In addition to tracking the status of a juror during the day of service, the System must accept and process modifications to juror data, as well as track these changes over time. The Director shall update data obtained by the Courts via the web connection provided by the Contractor. Modifications may include:
1. Name and address changes
 2. Changes of status
 - f. Exemption
 - g. Disqualification
 - h. Failure to appear
 3. Requests to re-schedule the date or location of service
 4. Special requirements
 - a. Foreign language translator
 - b. Disabilities
- D. Contractor shall pick up all returned mail at the Post Office on a daily basis. Contractor shall match the updated address to the juror on the System and generate a new summons.

V. Technical and Other Requirements

A. The System shall accommodate the following technology requirements.

1. All data shall be captured in a single, relational database capable of supporting user-driven ad hoc report tools (like MS Access, MS Excel, Crystal Reports). The Courts shall determine reports required. Contractor shall make reports available on demand.
2. All data shall be accessible to all authorized Court and Contractor staff, and shall be protected from access by any unauthorized individual.
3. Contractor shall not sell or convey any juror data contained in the System to any entity other than the Municipal Courts.
4. Any network connections (dedicated lines or internet gateways) shall operate with the City's wide area network and the Courts' local area network, and shall be approved by the Information Technology Systems department of the
5. Unless specifically enumerated, the Municipal Courts shall not be responsible for any costs associated with providing the System service.
6. Contractor shall use all new hardware purchased under this Agreement exclusively for the courts and not for any other entity.
7. Contractor shall be responsible for data content in the event of hardware and/or software failure.
8. Contractor shall perform all necessary backups, at least weekly, in accordance to the City technology standards. Contractor shall maintain backup files in a secure off-site location.
9. Contractor shall provide the hardware, software and professional services required to operate and maintain the System to the Director's satisfaction. (desktop systems and/or network equipment). Desktop

systems shall conform to court and city technology standards and be approved by the Technology Steering Committee.

10. Hardware for the System shall remain the property of the City after the expiration of this Agreement.
11. City has the right to inspect all computer components pursuant to this Agreement for compliance with the terms of this Agreement.

VI. Performance Measures

- A. The Director shall employ the following criterion for measuring the effectiveness of the Jury System.

Contractor shall:

1. Provide, on a timely basis, all information necessary to compile the performance measures.
2. Provide access to the Jury Wheel via the internet (using ad hoc reporting tools like MS Access, MS Excel, Crystal Reports), and
3. Conform to the established performance measures provided by the Director.

- B. The Director shall evaluate the Contractor in accordance with the following performance measures:

1. Appropriate number of jurors appearing each day as determined by the Director. Acceptable variations are within ten percent of the appropriate number of jurors as determined by the Director.
2. Number of jurors summoned daily in excess of the three to one ratio per day estimated by Contractor.
3. Any costs not stipulated in this Agreement and incurred by the Municipal Courts for summoning jurors to serve.
4. Updates not made to the System on a timely basis.

EXHIBIT "B"

EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.
2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.
3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.
5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.
6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.
7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

EXHIBIT "C"
MWBE SUBCONTRACT TERMS

Contractor shall ensure that all subcontracts with MWBE subcontractors and suppliers are clearly labeled **"THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT"** and contain the following terms:

1. Scottsman Printing (MWBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Affirmative Action Director ("the Director").
2. Scottsman Printing (MWBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform (1) audits of subcontractor's books and records, and (2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep its books and records available for inspection for at least 4 years after the end of its performance under this subcontract. Nothing in this provision shall change the time for bringing a cause of action.
3. Within 5 business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given under Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of the agent.
4. Any controversy between the parties involving the construction or application of any of the terms, covenants, or conditions of this subcontract must, upon the written request of one party served upon the other or upon notice by the Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 -- "the Act"). Arbitration must be conducted according to the following procedures:
 - a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within 30 days or the matter may be referred to arbitration.
 - b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with the American Arbitration Association on file in the City's Affirmative Action Division Office.
 - c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.
 - d. If the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

EXHIBIT "D"

DRUG POLICY COMPLIANCE AGREEMENT

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

(Name of Company) (Contractor)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed:

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

Date

Contractor Name

Signature

Title

EXHIBIT "E"

CONTRACTOR'S CERTIFICATION
OF NO SAFETY IMPACT POSITIONS
IN PERFORMANCE OF A CITY CONTRACT

I, LARRY LUDKE, PRESIDENT
(Name) (Title)

as an owner or officer of QUESTMARK INFORMATION MANAGEMENT Contractor)
(Name of Company)

have authority to bind the Contractor with respect to its bid, and hereby certify that Contractor has no employee safety impact positions, as defined in §5.17 of Executive Order No. 1-31, that will be involved

in performing JURY NOTICE + TRACKING
(Project)

Contractor agrees and covenants that it shall immediately notify the City of Houston Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

10/11/02
(Date)

LARRY LUDKE
(Typed or Printed Name)

(Signature) PRESIDENT
(Title)

EXHIBIT "E"

DRUG POLICY COMPLIANCE DECLARATION

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

(Name of Company) (Contractor)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding 6 months from _____ to _____, 20____.

_____ A written Drug Free Workplace Policy has been implemented and employees notified.
Initials The policy meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

_____ Written drug testing procedures have been implemented in conformity with the Mayor's
Initials Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees have been notified of such procedures.

_____ Collection/testing has been conducted in compliance with federal Health and Human
Initials Services (HHS) guidelines.

_____ Appropriate safety impact positions have been designated for employee positions
Initials performing on the City of Houston contract. The number of employees in safety impact positions during this reporting period is _____.

_____ From _____ to _____ the following test has occurred
Initials (Start date) (End date)

	<u>Random</u>	<u>Reasonable Suspicion</u>	<u>Post Accident</u>	<u>Total</u>
Number Employees Tested	_____	_____	_____	_____
Number Employees Positive	_____	_____	_____	_____
Percent Employees Positive	_____	_____	_____	_____

_____ Any employee who tested positive was immediately removed from the City worksite
Initials consistent with the Mayor's Policy and Executive Order No. 1-31.

_____ I affirm that falsification or failure to submit this declaration timely in accordance with
Initials established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

(Date)

(Typed or Printed Name)

(Signature)

(Title)

"G"

FEE SCHEDULE

<u>System Hardware, Operating System and Application Software</u>	<u>Price</u>
Dell PowerEdge 4400 database server and firewall (This portion of the system will become property of the Municipal Courts upon receipt of payment)	\$11,000.00
On-line access and system query development (described above)	\$12,000.00
Microsoft SQL Server database including Texas DPS Criminal Conviction Database, Texas Dept of Vital Stats, Death Record Database, Harris County Voters Registration Database and Texas DPS Drivers License Database for up to 10 clients.	<u>\$13,257.37</u>
	\$36,257.37

Monthly Charges*

<u>Daily Processing</u>	<u>Price</u>
Print & Mailing each summons	\$0.13 each
Fixed Postage each summons	\$0.278 each
Rescheduling Postcard (including postage)	\$0.276 each
Automated Database Updates per summons (Result of above process)	\$0.01 each
Manual address updates per summons	\$0.15 each
Filtering (NCOA, Felonies, and Deceased)	included
On-line access to Judge & jury shepherd employee to determine who has been included summoned for a particular day. (Does not include Municipal Courts ISP charges)	included

* During the term of this Agreement, the monthly charges may be adjusted to reflect changes in postage rates provided that the changes are approved in writing by the Director.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
08/29/02

PRODUCER

Ins. Assoc. of the S.W., LLC
P. O. Box 441767
Houston, TX 77244
281 558-6363

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

Questmark Information Management, Inc.
7102 Mullins Drive
Houston, TX 77081

INSURER A: **Atlantic Mutual Insurance Company**

INSURER B: **U. S. Specialty Insurance Company**

INSURER C:

INSURER D:

INSURER F:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	7670076450000	02/16/02	02/16/03	EACH OCCURRENCE	\$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	\$100,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$5,000
					PERSONAL & ADV INJURY	\$1,000,000
					GENERAL AGGREGATE	\$2,000,000
					PRODUCTS - COMP/OP AGG	\$
					GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	
A	AUTOMOBILE LIABILITY	744503037	02/16/02	02/16/03	COMBINED SINGLE LIMIT (Ea accident)	\$500,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input checked="" type="checkbox"/> HIRED AUTOS					
	<input checked="" type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY					
	<input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
A	EXCESS LIABILITY	7670076450000	02/16/02	02/16/03	EACH OCCURRENCE	\$1,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$1,000,000
	<input type="checkbox"/> DEDUCTIBLE					\$
	<input checked="" type="checkbox"/> RETENTION \$0					\$
						\$
						\$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTH-ER
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
3	Occupational Accident	062014	07/05/02	07/05/03	\$1,000,000 Ea Employee	
					\$1,000,000 Ea Accident	
					\$1,000,000 Aggregate	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
City of Houston is named as additional insured for the General Liability and Auto Liability Coverages as required by written contract and provided a waiver of subrogation in favor of City of Houston for the General Liability and Auto Liability Coverages as required by written contract.

\$1,000,000 Aggregate

This is certified to be a true copy of the original on file with Insurance Associates of the Southwest.

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER:

CANCELLATION 200-

**City of Houston
Department of Procurement Services Division
P.O. Box 1562
Houston, TX 77251**

Attn: Reid Kuhn

[illegible]

AUTHORIZED REPRESENTATIVE

Michael W Turner

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ACORD™ CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YY)
11/14/2002**PRODUCER**

The Comp Solutions
Network, Inc.
7115 W. Tidwell Rd #110K
Houston, TX 77092-2031

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED Questmark Information Mgm
7102 Mullins Drive

INSURER A: US SPECIALTY INS

INSURER B:

INSURER C:

INSURER D:

INSURER E:

Houston, TX 77081
713-662-9022

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY				
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR				FIRE DAMAGE (Any one fire) \$
					MED EXP (Any one person) \$
					PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO- JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY				
	<input type="checkbox"/> ANY AUTO				COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per person) \$
	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				
	<input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
	EXCESS LIABILITY				
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				EACH OCCURRENCE \$
	<input type="checkbox"/> DEDUCTIBLE				AGGREGATE \$
	RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				
					WC STATU- TORY LIMITS OTH- ER
					E.L. EACH ACCIDENT \$
					E.L. DISEASE - EA EMPLOYEE \$
					E.L. DISEASE - POLICY LIMIT \$
A	OTHER PEI OCCUPATIONAL ACCIDENT POLICY	062014	07/05/02	07/05/03	\$1M COV A & \$1M COV B W/\$1K DED. WDI \$600 UP TO 104 WK BENEFIT PER.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

THE ABOVE INDEMNITY/REIMBURSEMENT POLICY REPRESENTS THE ABOVE INSURED FOR
EMPLOYEE JOB RELATED INJURIES IN EXCESS OF THE DEDUCTIBLE, SUBJECT TO THE
TERM, CONDITIONS & EXCLUSIONS OF THE POLICY.

10 NOTICE OF CANCELLATION FOR NON-PAY

WAIVER OF SUBROGATION IN FAVOR OF CERTIFICATE HOLDER

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER:

CANCELLATION

CITY OF HOUSTON DEPARTMENT OF
PROCUREMENT SERVICES DIVISION
P O BOX 1562
HOUSTON, TX 77251-1562

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION
DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN
NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL
IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR
REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

This endorsement modifies insurance provided under the following:

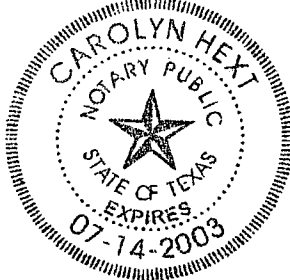
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The **WHO IS AN INSURED** section is amended to include as an insured any person or organization with whom you agreed in a written contract, written agreement or permit to provide insurance such as is afforded under this Coverage Part, but only with respect to your operations, "your work" or facilities owned or used by you.

This provision does not apply:

1. Unless the written contract, agreement or permit has an effective date and has been issued prior to the "bodily injury", "property damage", "personal and advertising injury" or "personal injury" or "advertising injury" (whichever definitions are used in your policy);
2. To any person or organization included as an insured under the Additional Insured - Broad Form Vendors provision of this endorsement;
3. To any person or organization included as an insured by an endorsement issued by us and made part of this Coverage Part;
4. To any lessor of equipment;
 - a. After the equipment lease expires; or
 - b. If the "bodily injury", "property damage", "personal and advertising injury" or "personal injury" or "advertising injury" (whichever definitions are used in your policy), arises out of the sole negligence of the lessor;
5. To any person or organization if the "bodily injury", "property damage", "personal and advertising injury" or "personal injury" or "advertising injury" (whichever definitions are used in your policy), arises out of the rendering of or failure to render professional services by or for you;
6. To any:
 - a. Owners or other interests from whom land has been leased; or
 - b. Managers or lessors of premises if:
 - (1) The "occurrence" takes place after you cease to be a tenant in that premises; or
 - (2) The "bodily injury", "property damage", "personal and advertising injury" or "personal injury" or "advertising injury" (whichever definitions are used in your policy), arises out of structural alterations, new construction or demolition operations performed by or on behalf of the owners or other interests from whom land has been leased.

This is certified to be a true copy of the original on file with Insurance Associates of the Southwest.



Carolyn Hext

GENERAL CHANGE ENDORSEMENT

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Producer Code: 8260284

Endorsement Effective 03-18-02	Policy Number 744 50 30 37
Named Insured QUESTMARK INFORMATION SEE ENDT TE 99 04A	Countersigned by

(Authorized Representative)

This endorsement changes the policy in the following particulars:

THE COMMERCIAL AUTOMOBILE COVERAGE IS AMENDED AS FOLLOWS:

ADD THE FOLLOWING ENDORSEMENTS:

TE 99 01B (03/92), TE 02 02A (03/92), TE 20 46A (03/92)

ENDT# 6

CANCELLATION PROVISION OR COVERAGE CHANGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective 03-18-02	Policy Number 744 50 30 37
Named Insured QUESTMARK INFORMATION SEE ENDT TE 99 04A	Countersigned by

(Authorized Representative)

30 days before this policy is canceled or materially changed to reduce or restrict coverage we will mail notice of the cancellation or change to:

CITY OF HOUSTON DEPARTMENT OF PROCUREMENT SERVICES DIVISION

PO BOX 1562 HOUSTON, TX 77251

(Enter Name and Address)

FORM TE 02 02A - CANCELLATION PROVISION OR COVERAGE CHANGE ENDORSEMENT

Texas Standard Automobile Endorsement

Prescribed March 18, 1992

**CHANGES IN TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US
(WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective	Policy Number
03-18-02	744 50 30 37
Named Insured QUESTMARK INFORMATION SEE ENDT TE 99 04A	Countersigned by

(Authorized Representative)

The **CONDITION** entitled "TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US" does not apply to

* SEE BELOW

Additional Premium \$ INCLUDED (Name of Person or Organization) will be retained by us regardless of any early termination of this endorsement or the policy.

* CITY OF HOUSTON DEPARTMENT OF PROCUREMENT
SERVICES DIVISION
PO BOX 1562
HOUSTON, TX 77251

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective 03-18-02	Policy Number 744 50 30 37
Named Insured QUESTMARK INFORMATION SEE ENDT TE 99 04A	Countersigned by

(Authorized Representative)

The provisions and exclusions that apply to LIABILITY COVERAGE also apply to this endorsement.

* CITY OF HOUSTON DEPARTMENT OF PROCUREMENT
SERVICES DIVISION
PO BOX 1562 HOUSTON, TX 77251

(Enter Name and Address of Additional Insured.)

is an insured, but only with respect to legal responsibility for acts or omissions of a person for whom Liability Coverage is afforded under this policy.

The additional insured is not required to pay for any premiums stated in the policy or earned from the policy. Any return premium and any dividend, if applicable, declared by us shall be paid to you.

You are authorized to act for the additional insured in all matters pertaining to this insurance.

We will mail the additional insured notice of any cancellation of this policy. If the cancellation is by us, we will give ten days notice to the additional insured.

The additional insured will retain any right of recovery as a claimant under this policy.

* AS RESPECTS: LEASED VEHICLES



November 18, 2002

City of Houston Department of
Procurement Services Division
P. O. Box 1562
Houston, TX 77251-1562

RE: Questmark Information Management, Inc.

To Whom It May Concern:

The following are certified to be copies of the originals on file with Insurance Associates of the Southwest in respects to the City of Houston Department of Procurement Services Division. The documents included are as follows:

1. Waiver of Subrogation and 30 Days Notice of cancellation on General Liability.
2. Additional Insured on General Liability.
3. Certificate of Insurance for Waiver of Subrogation on Occupational Accident.

U. S. Specialty does not issue endorsements due to the type of form the Occupational Accident is written. Only Certificates of Insurance, which are just as binding as the endorsement, are issued for extending or granting coverage for the certificate holder.

If you have any questions, please feel free to call.

Sincerely,

Anita LeNorman, CIC, CISR
Commercial Lines Account Manager

AXL/493011



Account Direct Bill

POLICY CHANGE 15

Effective 03/08/2002, this schedule forms a part of Policy No. 767-00-76-45-0000
(At the time stated in the policy)

issued to

QUESTMARK INFORMATION MANAGEMENT, INC.

(See ASC 00 11 01 98, Schedule 1)

7102 MULLINS DR

HOUSTON, TX 77081-5908

Producer: INSURANCE ASSOCIATES OF THE SOUTHWEST,
LLC

by Atlantic Mutual Insurance Company

In Accordance with this Policy Change Your Premium is Revised as follows:

No Change in Premium

This Policy Change Amends the Following Policy Provisions:

Common Policy Declarations, 1 VIL 100 10 98

Add Form(s):

VIL 203 10 98

CANCELLATION BY US

Liability Schedule, VCG 100 10 98

Add Waiver of Transfer of Rights of Recovery Against Others, CG 24 04 10 93:

CITY OF HOUSTON DEPARTMENT OF

PROCUREMENT SERVICES DIVISION

PO BOX 1562

HOUSTON, TX 77251-1562

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION BY US

This endorsement modifies insurance provided under the following:

COMMON POLICY CONDITIONS

SECTION A. CANCELLATION, Paragraph 2. is deleted in its entirety and replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 15 days before the effective date of cancellation if we cancel for non-payment of premium; or
 - b. The number of days shown in the Schedule before the effective date of cancellation, if we cancel for any other reason.

SCHEDULE*

Number of Days 30

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

Account Direct Bill

POLICY CHANGE 8

Effective 03/08/2002, this schedule forms a part of Policy No. 767-00-76-45-0000
(At the time stated in the policy)

issued to

QUESTMARK INFORMATION MANAGEMENT, INC.
(See ASC 00 11 01 98, Schedule 1)
7102 MULLINS DR
HOUSTON, TX 77081-5908

Producer: INSURANCE ASSOCIATES OF THE SOUTHWEST,
LLC
by Atlantic Mutual Insurance Company

In Accordance with this Policy Change Your Premium is Revised as follows:

No Change in Premium

This Policy Change Amends the Following Policy Provisions:

Property Declarations - Policy Level ASC 00 03 01 98

Add Additional Insured, VCP 290 10 98:

Loc Bldg

Type of Property Additional Insured

ATIMA

CITY OF HOUSTON DEPARTMENT OF
PROCUREMENT SERVICES DIVISION
PO BOX 1562
HOUSTON, TX 77251-1562

REF. DOC # 406493

LTR ✓ MEMO ✓ FAC ✓

DATE 6/10/02